

AN ASSOCIATION OF MONTANA HEALTH CARE PROVIDERS



Testimony to the Appropriations Joint Human Services Subcommittee Pertaining to Senior and Long Term Care Services

MHA, An Association of Montana Health Care Providers represents the interests of our member long term care providers, including nursing facilities, home health agencies and hospice organizations. MHA members urge your consideration of fully funding the Montana Medicaid program.

Protect the Base

Our primary objective during this tough economic climate is to maintain the current base funding for long term care services. State commitment to the service providers and the Medicaid program beneficiaries is crucial. As the economy worsens low income Montanans become more dependent on the safety net providers, and require state assistance to meet their basic health needs.

A second concern about funding cuts is that once the base budget is reduced it can take several years to come back to current level funding. In years past when state funding was short nursing homes agreed to a provider tax to help fund Medicaid. That tax now provides more than \$16 million per year. Nursing homes agreed to the tax with the understanding that the state would continue its funding commitment for the nursing home program.

Medicaid Provider Rate Adjustments

MHA urges the legislature to provide an annual 3.5% rate hike for long term services, an amount that is consistent with current inflationary trends. While state funding is scarce, the long term care providers are heavily dependent on Medicaid for their revenue stream. Frankly, there are few options to boost revenues to make up any Medicaid shortfalls.

A nursing home typically has more than 60% of its residents covered by Medicaid. Another 7-10% of the residents might be covered by Medicare. That leaves a third of the resident population to bear the full impact of increased costs. There are no proposals to reduce quality, nor are there proposals to alleviate the burdens of regulation.

Increasing the Medicaid rate is the only reasonable option to fund the treatment needs for the Medicaid beneficiaries.

Intergovernmental Transfer Program

The Department proposes to continue the IGT program to help fund nursing facility and other senior health programs. The IGT program provides an important funding source for all nursing facilities and for other long term care services. MHA urges your continued support for the current IGT program.

Home and Community Based Waiver Expansion

MHA has long supported the home and community based waiver program. We have supported every expansion proposed by the Department. We are pleased to see an additional expansion is proposed for this biennium.

The waiver program provides seniors and other beneficiaries an option to receive their care in their homes. The program also provides an important option for hospitals that must discharge patients that require ongoing medical care, but are not accepted by nursing facilities or other treatment settings.

There is a waiting list for the program. MHA supports expanding the waiver.

Direct Care Wage Add-on

The legislature has, over the past few years, provided money earmarked for wage hikes for direct care staff. MHA has supported those efforts as health care providers face a continued shortage of qualified workers, and competition from other employers that offer comparable wages but a less demanding work environment. MHA will support any effort to continue funding direct care staff wages. However, MHA prefers that this earmarked funding come only after funding general inflation through a rate hike.

Where Does the Money Come From?

MHA's recommendations for the Medicaid program, including the Senior and Long Term Care Division, the Health Resources Division and the Addictive and Mental Disease Division programs, all require funds beyond the Governor's budget request. In the past several years we have worked to provide the funding sources for the legislature in the form of the IGT program, provider use fees and tobacco settlement and tax funds. We did so because this State faced persistent shortfalls in needed general funds.

The alternative funding has gone a long way to bolster the Medicaid program and relieve the pressure on the general fund. We now face some limits on those alternative funds. MHA recommends that the Committee consider the following funding sources for the Medicaid program:

- Retain any general fund savings from lower than projected utilization of nursing home and other Medicaid services in the base budget.
- Utilize any surplus I-149 tobacco funds that could be used to continue to the current wage add-on, and could be tapped to provide current spending. MHA believes that, while sustainability in future years is an issue, using these funds is consistent with the intent of the statute;
- While program expansion is a worthy goal, when adequate funds are not available the Committee may consider delaying program expansion while current program needs are funded;

• MHA would not object to a modest increase in the taxes assessed on alcohol. The state expends a considerable amount of its budget to fund treatment and other social services related to alcohol and drug abuse. It seems reasonable to suggest additional revenues from this source; and

Thank you for the opportunity to share our comments with this Committee.

m,22, 2009 No Whom it may Concern; A spessband and receive Home

Alester of Polson, Mt.

Tenter in Polson, Mt. I am disabled and my husband isn't able to feet the mitrations meals we receive. Sincerely None Balock We are ages 79 yrs and 81 years.

Jan 23,09

Polson Senior Citizens 504 3rd Ave, E Polson, Montana 59860

EXHIBIT 24 DATE 1-27-09

Duane - Area Agency

Myntle and I have queat difficulty, due to limited mobility; when the procure ment and preparation of food 15 CONCENNED.

This service allows us to remain in our home, for where we can provide for each other, with the hosic needs that come with our advanced age.

We thank you for making
this service available to Us.
Leo & Mantle Schroeder
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De Delunder

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| HB | |

January 22, 2009

Dear Home Delivered Clients,

I received a e-mail from Duane from Area Agency about the State Funding for the Seniors of Lake County. He asked for letters from Senior whose lives have been changed through receiving Home Delivered meals. If you could write a letter stating the fact of your situation and how the services received assisted you to stay at home and continue a productive life.

If the meals help you for a short time after a illness or if the meals were a help in any other way.

I know this is short notice, but if you could do this today(Thursday) and give the letter back to Dave on Friday it would really help us over in Helena when they are requesting money before the Joint Finance Committee.

Thanks,

Jo Durand

Nutrition Director

I have the Heat sewys that had toe suggery, I have been Destitute before

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| EXHIBIT_ | 24 |
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January 22, 2009

Dear Jo D wand - nutrition Director

Yes-The home delived meals are wonderful for me.

1. Since I don't drive it is less work for my son who does all my driving either taking me or taking the grovery list of give him. It is much easier to just pay the driver of the meals an wheels. So.

2. It is always a pleasure to get to know the drivers who deliver the meals - Living alone gets lonesome especially if you are a newcomer to the community. I care from north Dahato so I could live near 2 of my some here in Ivlson.

3. I never did like to cook! The cook here in Polion ris ce much better cook, all the mouls are good_ well balanced and enjoyable.

it Considering the cost of food plus the cost of gas to go to the grocery store meals on wheels is a bargain as it is at present.

5. In 90 years old so getting a good meal at mon makes it possible for me to continue to live alone in my own Burnette Guthrie
Apt. 4
102 Kootenai Ave.
Polson, MT 59860

Apartment instead of an assisted living or nursing thomeSincerely
Burnette Luthrie



EXHIBIT 24

DATE 1-27-09

HB 2

a Very Big Herping Meeting Mees Stay at home.
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disint Egrating.

Sos 6th Care E.

EXHIBIT 24 DATE 1-27-09 HB 2

January 22, 2009

Dear Duane,

My wife Doris had a stoke Nov. 6, 2006, I requested and have received MOW's since, delivered by the Polson Senior Center. It is difficult to express my gratitude and thanks for this kind service to be available, for even though she is barely mobile, does not write, speaks poorly, and reads, but cannot tell you what she read, the service is appreciated beyond my expression.

Sincerely

Carlyle S Webb 807 4th Ave E

Polson, MT 59860

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January 19, 2009

Dear Madam Chair and Members of the Health & Human Services Subcommittee,

The services and support provided by the Council on Aging programs in Montana are vital to our senior's ability to maintain their independence and dignity. Without adequate support our elderly will be seeking more costly services through emergency rooms, hospitals, and nursing homes.

Council on Aging programs assist in providing for the essential needs of our fragile elderly:

- * Nutritional needs through Meals on Wheels, congregate meals at Senior Centers, and commodities;
- * Transportation services to assist with medical appointments and shopping;
- * Homemaker services to maintain a livable environment;
- * Assistance & support with signing up for medication plans, filing taxes, conversion to digital TV, arranging legal guidance, etc.
- * Loan closet for Durable Medical Equipment such as wheelchairs, walkers, etc.
- * Elderly Ombudsman services;
- * And a key resource for elderly to contact for direction and referral for an unlimited variety of questions or issues.

Reducing funding now will only increase the cost to the system over time. We must ensure these programs have the financial support they need to continue to provide the support needed by our growing elderly population. The economic environment results in an increased need for those elderly on fixed or decreasing incomes; now is not the time to reduce funding. Funding should be increasing as our elderly population increases and the economy worsens the financial status of those on fixed or decreasing incomes.

As a social worker for hospice in our community, I feel certain cuts to this vital program will negatively affect the seniors in our communities.

Please ensure that Council on Aging programs across the state continue to receive the financial support they need to provide essential services to our fragile elderly.

Thank you for considering these needs; I appreciate your vigilance in fiscal matters.

Sincerely, Lathleen Haliner, Lite

Cathleen J. Palmer, L.C.P.C.

EXHIBIT 24 27,09

DATE Jan 27,09

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1/22/09

My mother has been receiving Home Delivered meals for 8 years and she totally depends on them. She is unable to drive or shop. Her stove has been disconnected because she can not safely operate it. She is able to use a microwave.

By receiving Home Delivered meals she is able to keep her independence, live at home and not be institutionalized. In addition she is getting a nutritional and balanced diet and does not miss meals. The delivery person also provides a check that she is up and going and has not fallen or otherwise injured herself.

Home Delivered meals is very valuable to many seniors who would other wise need to be institutionalized or cared for in other very expensive ways. I don't know how I would care for my mother without this service.

Sincerely,

Shirley Laisy

41621 Sunny Slope Drive Polson, Montana 59860

Shirley Lang